

NORTH DAKOTA
PUBLIC EMPLOYEES
RETIREMENT SYSTEM

DAKOTA RETIREE PLAN

Effective July 1, 2003



NDPERS

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DAKOTA RETIREE PLAN

The **Dakota Retiree Plan** provides health care coverage as a secondary payor to Medicare. The **Dakota Retiree Plan** differs from the regular Federal Supplement plans A through J in that it does not pay 100% of the balance of Medicare’s approved charges. The following is a brief description of benefits as provided by the plan when paying secondary to Medicare. Please note that the **Dakota Retiree Plan** provides you with prescription drug coverage. To continue coverage with the NDPERS Dakota Retiree Plan you must carry both Parts A and B of Medicare when you become eligible for Medicare benefits. If you or your spouse/dependent are eligible for Medicare but continue to be covered by an “active” employer group policy, Medicare Part B may be waived until the contract holder terminates from employment.

TYPE OF SERVICE	MEDICARE PAYS	DAKOTA RETIREE PLAN PAYS	
		In State PPO Provider	Non PPO Provider or Out of State
INPATIENT HOSPITAL SERVICES Includes semi-private room and board, general nursing and miscellaneous hospital services and supplies.	A benefit period begins on the first day you receive service as an impatient in a hospital and ends after you have been out of the hospital and have not received skilled care in any other facility for 60 days in a row. The following is based on a benefit period. First 60 days : all but \$840 61 st thru 90 th day : all but \$210 a day 91 st day and after : all but \$420 a day	Dakota Plan pays 80% after the annual \$250 deductible. For any subsequent illness where Medicare’s deductible is applied again, Dakota Plan pays 80%.	Dakota Plan pays 75% after the annual \$250 deductible. For any subsequent illness where Medicare’ deductible is applied again, Dakota Plan pays 75%.
OUTPATIENT HOSPITAL SERVICES & SUPPLIES Includes services for first-aid emergency care, laboratory and x-ray tests, surgical procedures, radiation therapy, home health visits, ambulance, and durable medical equipment such as oxygen equipment and wheelchairs.	Outpatient services are covered when provided for and billed by a hospital, subject to the Medicare Part B annual \$100 deductible and 20% coinsurance.	Dakota Plan pays eligible expenses at 80%, subject to an annual \$250 deductible (combined with inpatient services).	Dakota Plan pays eligible expenses at 75%, subject to an annual \$250 deductible (combined with inpatient services).
EXTENDED CARE/HOME HEALTH	Skilled Nursing Facility – In each benefit period, Medicare Part A may pay for all covered services for the first 20 days you are in a skilled nursing facility. For the 21 st – 100 th day, Medicare Part A copayment is \$105 per day.	Unlimited days for Skilled Nursing Facilities and Home Health Care for <u>medically necessary</u> (skilled) services paid at 80%, subject to an annual \$250 deductible (combined with in-outpatient services).	Unlimited days for Skilled Nursing Facilities and Home Health Care for <u>medically necessary</u> (skilled) services paid at 75%, subject to an annual \$250 deductible (combined with in-outpatient services).
	Home Health Care – Unlimited home health visits if all Medicare guidelines have been met.	No coverage for intermediate and/or custodial care.	No coverage for intermediate and/or custodial care.
AVAILABLE PHYSICIAN AND MEDICAL SERVICES AND SUPPLIES Includes physician services wherever provided – in-home, hospital, or office; diagnostic x-ray and lab tests; physical and speech therapy; medical supplies such as splints and casts, certain prosthetic devices; artificial limbs and eyes.	You pay the first \$100 per year – Medicare Part B (medical insurance) then pays 80% of the remaining allowable charges for covered services as determined by Medicare Part B.	Dakota Plan pays 80% of <u>allowable</u> charges on Medicare’s balance.	Dakota Plan pays 75% of <u>allowable</u> charges on Medicare’s balance, the annual \$250 deductible may apply toward some of these services.
PRESCRIPTION DRUGS	Inpatient prescription drugs only. No coverage for outpatient prescription drugs.	Outpatient Prescription Drugs – Subject to the following limitations. For each 30-day supply or 100 units of an authorized maintenance drug you pay: Formulary: Brand-name drug -- \$15 plus 25% of allowable charge Generic drug -- \$5 plus 15% of allowable charge Non-Formulary: \$25 plus 50% of allowable charge Members pay the difference between generic and brand-name price if brand-name drug is purchased and generic is available.	

Further details of the coverage, including definitions; exclusions; criteria for medically appropriate and necessary care; credentialing process; confidentiality policy; description of experimental drugs, medical devices or treatments; appeals process; provider listings; drugs eligible for coverage; reductions or limitations; and the terms under which this benefit plan may be continued, see you Certificate of Insurance document or write to Blue Cross Blue Shield of North Dakota.

Dakota Retiree Plan

The Dakota Retiree Plan is a "Carve-Out" plan that pays secondary to Medicare. It is not a supplemental plan. As secondary payer, there will be an adjustment to your premium if you are transitioning from the Dakota Plan.

You are eligible to enroll for this health coverage at the time either you or one of your eligible family members becomes eligible for Medicare. If you are covered under the Dakota Plan at the time, and receiving a retirement benefit from either NDPERS, TFFR, TIAA-CREF or Travelers fund, you will receive a notification approximately 60 days prior to the eligibility date regarding the enrollment procedures. To enroll you must comply with the following requirements:

1. The eligible member must have both parts A and B of Medicare. If the eligible member continues to be covered by an "active" employer group policy, Medicare Part B may be waived until the contract holder terminates employment.
2. You must complete the application provided and include a copy of the Medicare card.

If the above requirements are met and you enroll prior to July 1, 2003, the following premiums are in effect through June 30, 2005:

	<u>Single</u>	<u>Family</u>
One Medicare/ One Non-Medicare		\$522.72
Medicare Eligible (must have both Medicare A & B)	\$212.24	\$415.18

If you do not enroll in the plan at the time you are eligible, your coverage will cease on the first day of the month in which you or your family member(s) became eligible.

PREMIUM PAYMENTS

If your monthly NDPERS retirement benefit is larger than your monthly premium, your premium will automatically be withheld from your benefit check. If your monthly health premium exceeds your retirement benefit, or you are receiving a monthly retirement benefit from the Job Service Retirement Plan or from TIAA-CREF, NDPERS can either bill you direct or you may have the premium deducted from a bank account. NDPERS bills direct for premiums on a monthly basis. However, you may choose to pay multiple months in advance. If you have any questions, please contact NDPERS for more information.

CANCELLATION OF HEALTH COVERAGE

If you wish to cancel your NDPERS health coverage you must submit a written request providing the contract holder's name, contract number and effective cancellation date. Cancellations will only be done at the end of the month. We cannot cancel your policy for a partial month or do a retroactive cancellation of a policy. NDPERS must receive your cancellation request by the 15th of the month prior to the effective cancellation date.

** The information in this publication is subject to both changes made by the North Dakota legislature, by the Board of the North Dakota Public Employees Retirement System (NDPERS) , and its agents.*